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PROGRAM President Reagan's Weekly Address STATION WTOP Radio

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SUBJECT Intelligence Threat

PRESIDENT RONALD REAGAN: My fellow Americans, we continue to work for the release of the American hostages held in Lebanon. This terrorism reminds us of the threat posed to open societies and to the great challenges we face in a world where many disdain our values and seek to harm us and our way of life.

One of those challenges is the need to counter the rash of spy activities that thraten our security and interests at home and abroad, and to improve our own intelligence-gathering capabilities.

The number and sophistication of Soviet Bloc and other hostile intelligence service activities have been increasing in recent years. The Soviet Union is a closed society whose rulers fear the intoxication of freedom, indeed fear it so much they forbid their people to compete freely with us in the great race to create and invent our future for the 21st Century.

As the West pulled ahead, the Soviets embarked on a major effort to catch up by stealing or buying what they need from classified information on American satellites, reports on future weapons systems, including our combat aircraft bombers to our most advanced technologies from high-tech areas like Silicon Valley in California.

Besides, espionage against our most sensitive secrets, theft of the high technology upon which our defense depends, the Soviets have intensified what they call active measures: propaganda and disinformation meant to mislead Western governments and their citizens, subversion, forgeries, and covert action.

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For example, while American officials and other proponents of freedom are systematically excluded from Soviet radio or TV, hardly a week goes by without a so-called Soviet journalist or scholar on our own airwaves. These men and women should at least be identified for what they are, propagandists whose appearances and statements are totally controlled by the Communist Party.

The Soviets, Communist Bloc nations, and surrogates elsewhere rely on a huge apparatus, including the KGB, to spy on us and influence our public opinion. To equate the KGB with the CIA is an injustice to the CIA and a grave mistake. Far more than an intelligence service, the KGB is a political police operation; as its motto says, "The sword and shield of the Communist Party of the U.S.S.R."

The KGB mission to shield the rigid Soviet dictatorship from any internal challenge, to weaken and discredit the United States and the various alliances we've built up, particularly the NATO alliance, and to advance the Soviet quest for power to destroy freedom makes it unique in the world.

What can be done? Well, we can counter this hostile threat and still remain true to our values. We don't need to fight repression by becoming repressive ourselves, by adopting such restrictions as internal passports for our citizens. But we need to put our cleverness and determination to work, and we need to deal severely with those who betray our country.

We should begin by recognizing that spying is a fact of life and that all of us need to be better informed about the unchanging realities of the Soviet system. We're in a long twilight struggle with an implacable foe of freedom.

Next, we need to reduce the size of the hostile intelligence threat we're up against in this country. Some 30 to 40 percent of the more than 2500 Soviet Bloc officials in this country are known or suspected intelligence officers, and all can be called upon by the KGB. We need to bring the number of their intelligence officers to a more manageable number. We need a balance between the size of the Soviet diplomatic presence in the United States and the U.S. presence in the Soviet Union. The Soviets currently have a huge advantage.

Now, we intend to take steps to accomplish this. And we need to better control foreign intelligence agents working at the U.N. who have utilized that organization as a spy nest.

Another priority is to improve our own counterintelligence during the '70s -- well, I should say during the '70s we began cutting back our manpower and resources, and imposed unnecessary restrictions on our security and counterintelligence

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officials. With help from Congress, we've begun to rebuild. But we must persevere. We must work for better coordination between counterintelligence agencies, better analysis of hostile threats, and learn from the mistakes of past restrictions which unduly hampered us.

There is no quick fix to this problem. Without hysteria or finger-pointing, let us move calmly and deliberately together to protect freedom.

We've developed a list of things to be accomplished in the counterintelligence and security areas. I'm tasking Cabinet officers to implement the improvements and reforms in every one of these areas on a priority basis.

Until next week, thanks for listening, and God bless you.